

A G R E E M E N T

between

TOWN OF HACKETTSTOWN
(WARREN COUNTY, NEW JERSEY)

and

SUSSEX COUNTY PBA LOCAL 138

JANUARY 1, 1986 through DECEMBER 31, 1987

LOCCKE & CORREIA P.A.
50 E. Palisade Avenue
Englewood, New Jersey 07631
(201) 567-9090

PREAMBLE

This Agreement entered into this *28th* day of *April*, 1986, by and between the TOWN OF HACKETTSTOWN, County of Warren, a Municipal Corporation of the State of New Jersey, hereinafter called the "Town" and SUSSEX COUNTY PBA LOCAL 138, hereinafter referred to as the "Association", represents the complete and final understanding on all bargainable issues between the Town and the Association.

ARTICLE I
RECOGNITION

A. The Town hereby recognizes the Association as the sole and exclusive representative for all full-time Patrolmen, Sergeants and Detectives of the Town of Hackettstown Police Department, excluding all other employees of the Town of Hackettstown.

B. The title of Policeman or Police Officer shall be defined to include the plural as well as the singular, and to include males and females.

ARTICLE II
ASSOCIATION REPRESENTATIVES

A. The Association shall have the right to designate two (2) members of the Association as Association Representatives.

B. The elected Representatives of the Association shall be granted a leave of absence with pay to attend the annual PBA convention in accordance with N.J.S.A. 40A:14-177.

C. A certificate of attendance to the convention shall be submitted by the Representatives so attending to the Chief of Police.

D. During contract negotiations, the authorized Representatives of the Association, however not more than one (1) Representative at any one time, shall be excused from normal duties for the amount of time reasonably required for the scheduled negotiations and shall receive his regular compensation for time spent when such negotiations interfere with his work schedule. However, said Representative shall always remain available for duty.

E. The duly elected Association Representative or alternate shall be excused with pay from his normal assignments to process grievances when scheduled with the Town's Representatives during regular working hours. Proper and prior request is to be made to the Chief of Police or the Lieutenant.

F. In the event the Association Officer is incapacitated, or is unable to carry out the function of office due to illness,

vacation, or otherwise, an alternate Representative of the Association shall have the full authority to represent the Association for any and all business. However, the name of the alternate must be supplied to the Town in advance and no exception or change in the Alternate shall be allowed.

G. One unit member who is a State PBA delegate shall be so scheduled in order to provide time off to attend one local and one State meeting per month, provided no less than forty eight hours notice is given prior to said meetings.

ARTICLE III
MANAGEMENT RIGHTS

A. Nothing in this Agreement shall be deemed to limit or restrict the Town as employer in any way in the exercise of the functions of management including:

1. The right to manage, control and operate its facilities.
2. To direct the work forces, hire, promote, transfer, suspend, discipline or discharge employees for just cause subject to Civil Service regulations.
3. Determine the amount of overtime to work or layoff employees for lack of work or for other proper reasons.
4. To schedule work subject to the terms of this contract.
5. To require employees to observe the Town's rules and regulations.
6. To make rules and regulations relating to the operation of its facilities not inconsistent with the terms of this Agreement or with N.J.S.A. 34:13A-5.3 et seq.
7. To introduce new and improved methods of operation, install new facilities, change existing methods or facilities.
8. To enforce Civil Service regulations

B. All of said rights are vested exclusively in the Town subject to the Laws of the United States, State of New Jersey and this Agreement.

ARTICLE IV
DUES DEDUCTIONS

A. The Town agrees to deduct from the salaries of its Patrolmen, subject to this Agreement, dues for the Association. Such deductions shall be made in compliance with Chapter 123, Public Laws of 1974, N.J.S.A. 52:14-15.9(e), as amended. .

B. A check-off shall commence for each Patrolman who signs a properly dated authorization card, supplied by the Association and verified by the Town Treasurer during the month following the filing of such card with the Town.

C. If during the life of this Agreement there shall be any change in the rate of membership dues, the Association shall furnish to the Town written notice thirty (30) days prior to the effective date of such change and shall furnish to the Town either new authorizations from its members showing the authorized deductions for each Patrolman, or an official notification on the letterhead of the Association and signed by the President of the Association advising of such changed deduction.

D. The Association will provide the necessary "check-off authorization" form and the Association will secure the signatures of its members on the forms and deliver the signed forms to the Town clerk.

E. The Association shall indemnify, defend and save the Town harmless against any and all claims, demands, suits or other

forms of liability that shall arise out of or by reason of action taken by the Town in reliance upon salary deduction authorization cards submitted by the Association to the Town or in reliance upon the official notification on the letterhead of the Association and signed by the President of the Association advising of such changed deductions.

F. Membership in the Association is separate, apart and distinct from the assumption by one of the equal obligations to the extent that he has received equal benefits. The Association is required under this Agreement to represent all of the Patrolmen in the bargaining unit fairly and equally, without regard to the Association membership. The terms of this Agreement have been made for all patrolmen in the bargaining unit, and not only for members in the Association, and this Agreement has been executed by the Town after it had satisfied itself that the Association is a proper majority representative.

G. Any such written authorization may be withdrawn at any time by the filing of notice of such withdrawal with the Town Clerk. The filing of notice of withdrawal shall be effective to halt deductions in accordance with N.J.S.A. 52:14-15.9e as amended.

ARTICLE V
GRIEVANCE PROCEDURE

A. Definitions

The term "grievance" means a complaint by an employee that, as to him, there has been an inequitable, improper, or unjust application, interpretation, or violation of a policy, agreement, or administrative decision affecting working conditions of an employee.

The term "employee" shall mean any Policeman covered by this contract but shall not include the Chief of Police or Lieutenant.

The term "representative" shall include any organization, agency or person authorized or designated by any employee or any group of employees or by a public employees association, or by the Town to act on its or their behalf and to represent it or them.

B. Purpose

The purpose of this procedure is to secure at the lowest possible level equitable solutions to disputes arising under this contract or affecting working conditions of the employee.

C. Procedure

1. An aggrieved employee shall institute action under the provisions hereof within five (5) calendar days or the occurrence complained of, or within five (5) days after he would

reasonably be expected to know of its occurrence. Failure to act within said five (5) day period shall be deemed to constitute an abandonment of the grievance.

2. An employee processing a grievance, shall be assured freedom from restraint, interference, coercion, discrimination or reprisal.

3. In the presentation of a grievance, the employee shall have the right to present his own appeal or to designate a representative to appear with him at any step in his appeal.

4. Whenever the employee appears with a representative, the Town shall have the right to designate a representative to participate at any stage in the grievance procedure.

5. An employee shall first discuss his grievance orally with his superior officer not below the rank of sergeant and file with the officer a brief written statement of the grievance. A decision in writing shall be rendered within two (2) days of said filing

6. If the grievance is not resolved to the employee's satisfaction within two (2) days from the determination referred to in paragraph 5 above, the written grievance shall be forwarded to the Chief of Police or his designee. A decision in writing shall be rendered within five (5) days of receipt of grievance by the Chief of Police or his designee.

7. If the grievance is not resolved to the employee's satisfaction within two (2) days from the determination referred

to in paragraph 6 above, the written grievance shall be forwarded to the Mayor and Chairman of the Police Committee. A decision in writing shall be rendered by the Mayor and Chairman of the Police Committee within five (5) days of receipt of the grievance by the Mayor and Chairman of the Police Committee.

8. If the grievance is not resolved to the employee's satisfaction within ten (10) days from the determination referred to in paragraph 7 above, the employee shall submit his grievance to the Mayor and the Police Committee in writing, specifying:

- a. The nature of the grievance;
- b. The results of the previous discussion;
- c. The basis of his dissatisfaction with the determination.

9. Within ten (10) days from the receipt of the written grievance (unless a different period is mutually agreed upon), the Mayor and Police Committee of the Common Council shall hold a hearing at which all parties in interest shall have the right to be heard.

10. Within ten (10) days from the hearing (unless a different period is mutually agreed upon), the Mayor and Police Committee shall, in writing, advise the employee and his representative, if there be one, of their determination and shall forward a copy of said determination to the Chief of Police and the Lieutenant.

11. In the event of the failure of the Mayor and Police Committee to act in accordance with the provisions of paragraph 9 and 10, or in the event a determination by them in accordance with the provision thereof, is deemed unsatisfactory by the employee, within ten (10) days of the failure of the Mayor and the Police Committee to act or within ten (10) days of the determination by them, the employee may appeal to the Governing Body.

12. Where an appeal is taken to the Governing Body there shall be submitted by the employee:

a. The writing set forth in paragraph 8 and 10 and a further statement in writing setting forth the employee's dissatisfaction with the action of the Mayor and Police Committee.

13. If the employee in his appeal to the Governing Body does not request a hearing, the Governing Body may consider the appeal on the written record submitted to it, or the Governing Body may, on its own conduct a hearing, or it may request the submission of additional written material. Where the employee requests, in writing, a hearing before the Governing Body, a hearing shall be held.

14. The Governing Body shall make a determination within thirty (30) days from the receipt of the grievance and shall, in writing, notify the employee, his representative, if there be one, the Mayor and the Chief of Police of its determination. This time period may be extended by mutual agreement of the parties.

15. In the event an employee is dissatisfied with the determination of the Governing Body and the matter involves interpretation or application of the contract, he shall have the right to request arbitration.

A written request for arbitration shall be made no later than fifteen (15) days following the determination of the Governing Body. Failure to file within said time period shall constitute a bar to such arbitration unless the aggrieved employee and the Governing Body shall mutually agree upon a longer time period within which to assert such a demand.

16. Within ten (10) days after such written request of submission to arbitration, the Governing Body and the employee shall attempt to agree upon a mutually acceptable arbitrator and shall obtain a commitment from said arbitrator to serve. If the parties are unable to agree upon an arbitrator or to obtain such a commitment within the specified period, a request for a list of arbitrators may be made to the American Arbitration Association by either party. The parties shall then be bound by the rules and procedures of the American Arbitration Association in the selection of an arbitrator.

17. The arbitrator so selected shall confer with the Governing Body and the employee and hold hearings promptly and shall issue his decision not later than twenty (20) days from the date of the close of the hearing or, if oral hearings have been waived, then from the date the final statements and proofs on the

issues are submitted to him. The arbitrator's decision shall be in writing and shall set forth his findings of fact, reasoning and conclusions on the issues submitted. The arbitrator shall be without power or authority to make any decision which is violative of the terms of this Agreement. The decision of the arbitrator shall be submitted to the governing body and the employee and shall be binding on the parties.

The Town and the employee reserve the right to seek such remedies either party may have by law or under Civil Service Rules and Regulations.

18. The costs for the services of the arbitrator, including per diem expenses, if any, and actual and necessary travel subsistence expenses and the cost of the hearing room shall be borne equally by the Town and the employee. Any other expenses incurred shall be paid by the party incurring the same.

19. All meetings and hearings under this procedure shall not be conducted in public and shall include only the parties in interest and their designated representatives.

20. No time limit set forth in the procedure shall be invoked if due to employer's failure to act.

ARTICLE VI

NO STRIKE PLEDGE

A. Policemen agree that they shall not resort to a strike or other illegal job action.

ARTICLE VII

HOURS

A. The work week and salary for the Hackettstown Police Department shall be computed on the basis of a forty (40) hour week.

ARTICLE VIII

OVERTIME

A. All time in excess of forty (40) hours per week is deemed overtime.

B. All overtime must be approved by the Chief of Police.

C. All Policemen shall, subject to the needs of the Department as determined by the Chief of Police or his delegate, have compensatory time off or on the basis of one and one-half ($1\frac{1}{2}$) hours for each hour of overtime or payment at a rate equal to one and one-half ($1\frac{1}{2}$) times his regular base pay work rate for overtime.

D. Compensatory time off shall be given within thirty (30) days.

E. The Chief of Police shall determine whether compensatory time off or overtime pay shall be granted.

F. An overtime hour will be determined on the basis of anything in excess of fifteen (15) minutes is one-half ($\frac{1}{2}$) hour intervals for overtime compensation.

G. All overtime will be paid in the next regular paycheck.

H. When any Policeman shall be required to appear before any Grand Jury or at any Municipal, County, Superior or Supreme Court Proceeding, except in a Civil Action, the time during which he is so engaged shall be considered a time of assignment to and performance of duty. When such appearance occurs during the Policeman's

assigned duty hours, and such appearance is related to his employment, he shall suffer no loss in compensation. When such appearance occurs outside his assigned duty hours, he shall receive either compensatory time off on the basis of one and one half ($1\frac{1}{2}$) hours for each hour of overtime or compensation at one and one-half ($1\frac{1}{2}$ x) times his regular work rate for such overtime.

ARTICLE IX

SALARIES

A. All bargaining unit members shall receive the following annual base salaries for the term of this Agreement:

PATROLMEN

<u>POSITION</u>	<u>1/1/86</u>	<u>EFFECTIVE 3/1/86</u>	<u>EFFECTIVE 1/1/87</u>
Step 1	19,076	\$20,411	\$21,840
Step 2	20,068	21,473	22,976
Step 3	21,056	22,530	24,107
Step 4	22,050	23,594	25,245
Step 5	23,206	24,830	26,569
Step 6	24,272	25,971	27,789

SERGEANT

Step 1	25,185	26,948	28,834
Step 2	26,012	27,833	29,781
Step 3	26,840	28,719	30,729

B. Steps shall be determined in accordance with the policeman's temporary appointment or promotion anniversary date.

C. The officer shall move one step on the guide on his anniversary date.

D. If a patrolman is promoted, he will move to the next higher money step in the category he was promoted to.

ARTICLE X

LONGEVITY

A. The following longevity percentages shall be applied to the base salary of Policemen paid annually under this Agreement:

Beginning of 6th year	2%
7-10 years	4%
11-15 years	5%
16-20 years	6%
21 years and over	7%

B. Longevity accrued under this contract shall be paid in two (2) lump sum payments, one (1) by June 30th of each year and the second one by December 30th of each year.

C. Placement on the longevity schedule shall be determined in accordance with the Policemen's anniversary date.

ARTICLE XI

HOLIDAYS

A. The Policemen will be granted twelve (12) holidays as follows:

New Year's Day	Labor Day
Lincoln's Birthday	Election Day
Washington's Birthday	Veteran's Day
Good Friday	Columbus Day
Memorial Day	Thanksgiving Day
July 4th	Christmas Day

Policemen scheduled to work on a holiday by the Chief of Police will be paid for their holiday time on the basis of their annual rate or given compensatory time off at the discretion of the Chief.

B. In addition to those enumerated above, the employee shall receive all new holidays that are declared legal holidays by the President of the United States or the Governor of the State of New Jersey if such holidays are also declared as holidays by the Mayor of the Town of Hackettstown.

ARTICLE XII

VACATIONS

A. Vacation time shall be granted as follows:

Up to one year of service	One (1) working day for each month of service
One (1) year through four (4) years of service	Twelve (12) working days
Five (5) years through nine (9) years of service	Fifteen (15) working days
After nine (9) years of service	Twenty (20) working days plus an additional day for every two (2) years thereafter, but not to exceed twenty-five (25) working days.

B. For the purpose of this Article, a year shall be considered as the calendar year commencing January 1st ending December 31st.

C. Policemen shall not begin the first week of vacation prior to the completion of at least six (6) months of continuous service from the date of employment.

ARTICLE XIII

SICK LEAVE

A. All employees covered under this Agreement are entitled to fifteen (15) days sick leave per year with unlimited accumulation.

B. Any Employee who shall be absent on sick leave for five (5) or more consecutive working days shall be required to submit acceptable medical evidence substantiating the illness in the manner as provided in Civil Service Rule 4:1-17.18.

C. Immediately prior to qualified retirement the employee may use up to one hundred fifty (150) days of accumulated sick leave toward retirement.

D. If any employee is absent from work for reasons that would entitle him to sick leave, the Chief or designated representative to be notified as early as possible, but no later than 2 hours before the start of shift from which absent.

ARTICLE XIV
WORK INCURRED INJURY

A. The Town shall provide full salary while any employee is temporarily totally disabled as a result of a job incurred injury less Workmen's Compensation payments during a period not exceeding one (1) calendar year from the date of the accident. Payments will not be made during an absence due to recurrence of disability due to the same accident or related illness after the calendar year has expired.

B. If an employee qualifies or may qualify for a disability pension, the Town payments will end.

C. After the calendar year has expired, the employees may elect if they so desire to utilize all or part of their accumulated sick leave.

D. Any salary paid during the time that the employee takes sick leave will be reduced by Workmen's Compensation payments, if any.

E. Accumulated sick leave may be apportioned at the employee's request on a partial day basis to allow the employee full salary for any week in which Workmen's Compensation or this contract does not provide payment equal to a full working week.

F. The employee shall be required to present evidence by a certificate of a responsible physician that he is unable to work, and the Mayor and Council may reasonably require that employee to present such certificates from time to time.

G. In the event the employee contends that he is entitled to a period of disability beyond the period established by the treating physician or a physician employed by the Town or its insurance carrier, then and in that event the burden shall be upon the employee to establish such additional period of disability by obtaining a judgment in the Division of Worker's Compensation establishing such further period of disability. Such findings by the Division of Worker's Compensation or by the final decision of the last review in court shall be binding upon the parties.

H. For the purpose of this article, injury or illness incurred while the employee is attending a Town-sanctioned training program shall be considered in the line of duty.

I. In the event the dispute arises as to whether an absence shall be computed or designated as sick leave or as an injury on duty, the parties agree to be bound by the decision of the appropriate worker's compensation judgment or, if there is an appeal therefrom, the final decision of the last review in court.

ARTICLE XV

FUNERAL LEAVE

A. Funeral Leave of three (3) days, one of which shall be the day of the funeral, shall be granted without loss of pay for the death in the immediate family of the employed.

B. Immediate family includes spouse, child, mother, father, brother, sister, mother-in-law, father-in-law.

C. Funeral leave of one (1) day shall be granted without loss of pay to attend the funeral of a brother-in-law, sister-in-law, grand parents, or any niece or nephew living at home with said brother-in-law or sister-in-law.

ARTICLE XVI
PERSONAL DAYS

A. One (1) personal day per year without loss of pay shall be granted to each employee per annum.

B. Application in duplicate for a personal day must be submitted three (3) days in advance (except in case of emergency), though no reason must be provided by the employee to the Employer for such day.

C. A personal day shall not be granted for a day preceeding or following holidays or vacations.

D. Personal days may accumulate to a maximum of three (3) days.

ARTICLE XVII
CLOTHING ALLOWANCE

A. Each Policeman shall receive an annual clothing allowance of Five Hundred and Fifty (\$550.00) Dollars.

ARTICLE XVIII

DETECTIVE INCREMENT

A. A Detective increment in the amount of Six Hundred (\$600.00) Dollars will be paid for the officer maintaining a position in the Detective Bureau.

ARTICLE XIX

HOSPITAL AND LIFE INSURANCE BENEFITS

A. The Town shall continue to provide enrollment in the hospital and medical benefit program presently in existence, as well as major medical and Rider J coverage.

B. The Town will provide life insurance which shall be equal to one and one-half ($1\frac{1}{2}$) times the base pay of the Policeman. The Policeman may contribute through payroll deductions to provide insurance through Public Employee's Retirement System equal to an additional one and one-half ($1\frac{1}{2}$) times his base pay.

C. The Town will continue to pay a maximum of Two Hundred Eighty (\$280.00) Dollars for each employee toward a dental insurance premium. Any amount in excess of the above shall be paid for by the employee. The specific plan is to be approved by both parties.

D. The Town shall continue to maintain full insurance to cover any claims or false arrest as shown on the attached personal injury liability insurance endorsement. NATL. CAS 600524

E. The Town retains the right to enter into a self-insurance program or to change insurance carriers regarding any insurance benefit so long as the same or substantially equivalent benefits are provided. If the Town decides to change insurance carriers, the Town shall pay particular attention to the ability of the employee to use the new insurance carrier's plan outside the Hackettstown area.

ARTICLE XX
EDUCATIONAL BENEFITS

A. The Town will pay one hundred (100%) percent of tuition and books for all Policemen enrolled in the course in Police science at a fully accredited college. Books utilized for courses for which a police officer receives payment under this Article shall be returned to and placed within a library established in the Police Department.

B. All courses are to be approved by the Chief of Police

C. Upon attainment of thirty (30) credits and a "C" average, a Policeman will receive in addition to his annual salary the sum of Five Hundred (\$500.00) Dollars upon completion and Five Hundred (\$500.00) Dollars per year thereafter providing that he continues to attain a minimum of three (3) credits and a "C" average each year thereafter until said Policeman attains an Associates Degree in Police Science or sixty (60) credits at which time he will receive One Thousand (\$1,000.00) Dollars per year in addition to his annual salary.

Upon attainment of a Bachelor's Degree in Police Science (Criminal Justice), an officer will receive Fifteen Hundred (\$1,500.00) per year in addition to his annual salary. The total therefore for said educational benefit may not exceed One Thousand Five Hundred (\$1,500.00) Dollars annually for any eligible unit Employee pursuant to this subsection.

D. All vouchers submitted for payment pursuant to this Article shall be paid within forty-five (45) days. Transcript demonstrating satisfactory completion of the course must accompany the voucher prior to payment.

ARTICLE XXI
MOTOR VEHICLE REIMBURSEMENT

A. Any Policeman using his own motor vehicle on official police business with approval of the Chief of Police will be compensated at the rate of twenty-one (21¢) cents per mile. The Policeman shall be reimbursed for parking fees and tolls upon presentation of a receipt.

B. Policemen shall be reimbursed for travel expense while assigned to attend a Police School, as well as Five (\$5.00) Dollars lunch money. Policemen shall also receive Five (\$5.00) Dollars as a meal allowance provided that a police officer is required to be in court during lunch for police-related business.

ARTICLE XXII
PERSONNEL FILES

A. A personnel file shall be established and maintained for each employee covered by this Agreement. Such files are confidential records and shall be maintained in the office of the Chief of Police, and may be used for evaluation purposes by the Police Chief, Mayor and/or Governing Body.

B. Upon advance notice and at reasonable times, any member of the Police Department may at any time review his personnel file. However, this appointment for review must be made through the Chief of Police or his designated representative. Furthermore, the Chief or his designee will review with each officer the personnel file of said employee on an annual basis.

C. Whenever a written complaint concerning an Officer or his actions is to be placed in his personnel file, a copy shall be made available to him and he shall be given the opportunity to rebut it if he so desires, and he shall be permitted to place said rebuttal in his file. When the employee is given a copy of the complaint, the identity of the complainant shall be excised. However, if any disciplinary action is taken based on any complaint, then the employee shall be furnished with all details of the complaint, including the identity of the complainant.

D. All personnel files will be carefully maintained and safeguarded permanently, and nothing placed in any file shall be removed therefrom. Removal of any material from a personnel file by any member of the Force shall subject the member to appropriate disciplinary action.

E. Each employee shall be supplied with a written certification from the Town no later than November 1 of each year, which shall state the number of accumulated vacation days, holidays taken, sick days, personal days and any other time which is available to the Officer.

ARTICLE XXIII
RIGHTS OF EMPLOYEES

A. The interrogation of a member of the Force shall be at a reasonable hour, preferably when the member of the Force is on duty, unless the exigencies of the investigation dictate otherwise.

B. The interrogations shall take place at a location designated by the Chief of Police.

C. The member of the Force shall be informed of the nature of the investigation before any interrogation commences. If it is known that the member of the Force is being interrogated as a witness only, he should be so informed at the initial contact.

D. The questioning shall be reasonable in length. Time shall also be provided for personal necessities, meals, telephone calls and rest periods, as are reasonably necessary.

E. The member of the Force shall not be subject to any offensive language, nor shall he be threatened with transfer, dismissal or other disciplinary punishment. No promise or reward shall be made as an inducement to answer questions.

F. The complete interrogation of the member of the Force may, upon request of either party and at the expense of the requesting party, be recorded mechanically or by department stenographer. In such cases, there will be no "off-the-record" questions.

G. If a member of the Force is under arrest or is likely to be, that is, if he is a suspect or the target of a criminal investigation, he shall be given his rights pursuant to the current decisions of the United States Supreme Court.

H. The Department shall afford a reasonable opportunity for a member of the Force if he so requests, to consult with counsel and/or his association representative before being questioned concerning a violation of departmental rules and regulations during the interrogation, unless the member is being interrogated as a witness only.

I. Policemen will not be required to take a polygraph in any given departmental hearing.

J. Policemen charged with a criminal offense will not have their departmental hearing prior to their criminal trial so as not to prejudice their standings with a jury but may be suspended pending disposition of said offense in accordance with 40A:14-149.1 et seq.

ARTICLE XXIV
EXCHANGE OF DAYS OFF

A. Members of equal rank within the Police Department may, upon mutual written request, prior notification to the Police Chief or his designated representative and prior approval of the Police Chief or his designated representative, exchange hours or days off. Every effort will be made to give the Police Chief or his designated representative at least seventy-two (72) hours notice in advance.

B. By exchanging hours or days off, no employee shall be entitled to overtime payments.

ARTICLE XXV
SEPARABILITY AND SAVINGS

A. If any provision of this Agreement or any application of the Agreement to any employee or group of employees is held invalid by operation of law or by a court or other tribunal of competent jurisdiction, such provision shall be inoperative but all other provisions shall not be affected thereby and shall continue in full force and effect.

ARTICLE XXVI
FULLY BARGAINED PROVISION

This agreement represents and incorporates the complete and final understanding and settlement by the parties on all bargainable issues which were or could have been the subject of negotiations. During the term of this Agreement, neither party will be required to negotiate with respect to any such matter, whether or not covered by this Agreement, and whether or not within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this Agreement.

ARTICLE XXVII

DURATION OF AGREEMENT

A. This Agreement shall be in full force and effect as of January 1, 1986 and shall remain in effect to and including December 31, 1987, without any reopening date. This Agreement shall continue in full force and effect from year to year thereafter, until one party or the other gives notice, in writing, no sooner than one hundred fifty (150) nor no later than one hundred twenty (120) days prior to the expiration of this Agreement of a desire to change, modify or terminate this Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals at the Town of Hackettstown, New Jersey, on this
28th day of April, 1986.

TOWN OF HACKETTSTOWN

SUSSEX COUNTY PBA LOCAL 138

James E. Mill
W.C. Miller, Town Clerk

W.C. Miller
W.K. [Signature]

ITEM 1. NAMED INSURED AND MAILING ADDRESS

•HACKETTSTOWN, TOWN OF P. D.
215 STIGER STREET
HACKETTSTOWN, NJ 07840



AGENT NAME AND ADDRESS

•MARKEI SERVICE, INC.
5310 MARKEI ROAD
RICHMOND, VA. 23230

201/852-4466

P.O. Box 448, Hackettstown, NJ 07840

3/4/82 3/4/87

ITEM 2. POLICY PERIOD

From:

National Casualty Company

**Comprehensive
Law Enforcement
Liability Policy**

Company shall be subrogated to all the INSURED'S rights of recovery therefor against any person or organization and the INSURED execute and deliver instruments and papers and do whatever is necessary to secure such rights. The INSURED shall do nothing loss to prejudice such rights.

8. CHANGES. Notice to any agent or knowledge possessed by agent or by any other person shall not effect a waiver or a change in part of this policy or estop the Company from asserting any right in the terms of this policy; nor shall the terms of this policy be waived, changed, except by endorsement issued to form a part of this policy signed by a duly authorized representative of the Company.

9. ASSIGNMENT. Assignment of interest under this policy shall bind the Company until its consent is endorsed hereon; if, however, NAMED INSURED, shall die, such insurance as is afforded by this policy shall apply (1) to the NAMED INSURED'S legal representative if the INSURED, but only while acting within the scope of his duty, such, and (2) with respect to the property of the INSURED, to the person or organization to whom the property is transferred.

National Casualty Company

Scottsdale, Arizona

(A stock insurance company, herein called the Company)

Agrees with the INSURED, named in the Declarations and made a part hereof, in consideration of the payment of the premium and in reliance upon statements in the Declarations and subject to the limits of liability, exclusions, conditions and other terms of this policy as follows:

INSURING AGREEMENT

The Company will pay on behalf of the INSURED all sums which the INSURED shall become legally obligated to pay as damages because of WRONGFUL ACT(S) which result in:

- A) PERSONAL INJURY
- B) BODILY INJURY
- C) PROPERTY DAMAGE

caused by an OCCURRENCE and arising out of the performance of the INSURED'S duties to provide law enforcement and/or other departmentally approved activities as declared in the Application, or arising out of the ownership, maintenance or use of the premises designated in the Declarations (including the ways immediately adjoining such premises on land), and all operations necessary and incidental thereto.

DEFENSE, SETTLEMENT AND SUPPLEMENTARY PAYMENTS

The Company shall have the right and duty to defend any suit against the INSURED seeking damages on account of such PERSONAL INJURY, BODILY INJURY, or PROPERTY DAMAGE even if any of the allegations of the suit are groundless, false, or fraudulent, and, may make such investigation and settlement of any claim or suit as it deems expedient. However, the Company shall not be obligated to pay any claim or judgment or defend any suit, after the applicable limit of the Company's liability has been exhausted by payment of judgments or settlements.

The INSURED shall not, except at his own cost and for his own account, make any payment, admit any liability, settle any claim, assume any obligation, or incur any expense without the written consent of the Company.

The Company will pay, in addition to the applicable limit of liability:

- 1) all expenses incurred by the Company, all costs taxed against the INSURED in any suit defended by the Company and all interest on the entire amount of any judgment therein which accrues after entry of the judgment and before the Company has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the Company's liability thereon;
- 2) premium on appeal bonds required in any suit defended by the Company, premium on bonds to release attachments in any such suit

for an amount not in excess of the applicable limit of liability of this policy, not to exceed \$250 per bail bond, but the Company shall have no obligation to apply for or furnish any such bonds;

3) reasonable expenses incurred by the INSURED at the Company's request in assisting the Company in the investigation or defense of any claim or suit, including his attendance at hearings or trials incurred by the INSURED at the Company's request, not to exceed the federal per diem rate.

4) expenses incurred by the INSURED for first aid to others at the time of an accident, for BODILY INJURY to which this policy applies.

LIMIT OF LIABILITY

Regardless of the number of (a) INSUREDS under this policy (b) persons or organizations who sustain damages payable under this policy, or (c) suits brought on account of insurance afforded by this policy, the Company's liability is limited as follows:

1) The limit of liability stated in the Declarations as applicable to "each person" is the limit of the Company's liability for all damages under Coverages A, B and C sustained by any one person as the result of any one OCCURRENCE; but subject to the above provisions respecting "each person", the total limit of the Company for all damages under Coverages A, B and C sustained by two or more persons as the result of any one OCCURRENCE shall not exceed the limit of liability stated in the Declarations as applicable to "each OCCURRENCE".

2) Subject to the above provision applicable to "each person" or "each OCCURRENCE" the total liability of the Company for all damages under Coverages A, B and C shall not exceed the limit of liability stated as "aggregate" if any, in the Declarations.

EXCLUSIONS

This policy does not apply:

- 1) To any obligation for which the INSURED or any carrier as the insurer may be held liable under any worker's compensation, unemployment compensation, disability benefits law or under any similar law including acts arising out of class actions suits.

COMPREHENSIVE LAW ENFORCEMENT LIABILITY POLICY

99950-00000235

National Casualty Company

Policy Number

PL 600524

Renewal of Number

Property/Casualty Division
6991 E. Camelback Road
Scottsdale, Arizona 85251
A STOCK COMPANY

DECLARATIONS

ITEM 1. NAMED INSURED AND MAILING ADDRESS

HACKETTSTOWN, TOWN OF P. O.
215 STIGER STREET
HACKETTSTOWN, NJ 07840

AGENT NAME AND ADDRESS

MARKEL SERVICE, INC.
5310 MARKEL ROAD
RICHMOND, VA. 23230

Agent No 450002

ITEM 2. POLICY PERIOD From: 03/04/86 To 03/04/87

12:01 A.M. Standard Time at the address of the Named Insured as stated herein.

ITEM 3: Limits of Liability \$ 1,000,000 each person
\$ 1,000,000 each occurrence
\$ 2,000,000 annual aggregate

ITEM 4: Premium Computation

	ESTIMATED NUMBER OF PAID EMPLOYEES (FULL & PART TIME)	RATE PER NUMBER	PREMIUM
Class A	16	\$596.00	\$11,136
Class B	13	\$348.00	\$4,524
Class C	11	\$174.00	\$1,914
Class D	4	\$104.00	\$416

TOTAL
ADVANCE
PREMIUM \$ 17,990

ITEM 5: Location of premises SAME AS INSURED ADDRESS ABOVE

ITEM 6: Deductible
\$ 5,000 per claim, including loss adjustment expenses.

ITEM 7: Endorsements attached to Policy at Inception PL-4 (8-82) PL-2 (7-82)

ITEM 8: During the past three years no insurer has cancelled insurance issued to the NAMED INSURED, similar to that afforded hereunder unless otherwise stated herein:

ITEM 9: Notice of all OCCURRENCES must be given to the Company whether or not such OCCURRENCES appear likely to involve this policy.

AUDIT PERIOD: ANNUAL UNLESS OTHERWISE STATED HEREIN

3-12-86 ktt

Countersigned by

AUTHORIZED REPRESENTATIVE

National Casualty Company

ENDORSEMENT NO. _____

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE (STANDARD TIME)					INSURED	AGENCY AND CODE
	MO.	DAY	YR.	AM	PM		
PL600524	03	04	86	xx		Town of Hackettstown Police Dept., NJ	Markel 450002

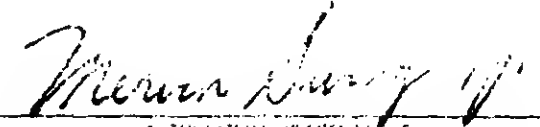
ADDITIONAL INSURED
STATE OR POLITICAL SUBDIVISIONS

It is hereby understood and agreed that the definition of INSURED is amended to include as an INSURED the state or political subdivision designated below, but only with respects to liability arising out of activities of the NAMED INSURED.

Designation of State or Political Subdivision.

Town of Hackettstown, NJ

All other terms and conditions remain unchanged


AUTHORIZED REPRESENTATIVE

National Casualty Company

ENDORSEMENT
NO. _____

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE (STANDARD TIME)					INSURED	AGENCY AND CODE
	MO.	DAY	YR.	12.01			
PL600524	03	04	86	xx		Town of Hackettstown Police Dept., NJ	Markel 450002

INCIDENTAL PROFESSIONAL LIABILITY ENDORSEMENT

In consideration of the premium charged, it is understood and agreed that the definition of BODILY INJURY is amended to include injury arising out of the rendering of or failure to render, during the policy period, (a) medical or nursing services or treatment or the furnishing of food or beverages in connection therewith, or (b) the furnishing or dispensing of drugs or medical supplies or appliances.

The coverage provided by this endorsement does not apply to:

- (a) expenses incurred by the INSURED for first-aid to others at the time of an accident and the "Supplementary Payments" provision is amended accordingly.
- (b) liability arising out of any personal act or omission of a professional nature by a medical doctor or dentist.

It is further agreed that the definition of "INSURED" is amended to read as follows:

- (a) the NAMED INSURED
- (b) all medical employees of the NAMED INSURED, whether full-time, part-time, or volunteer, while acting within the scope of duties as such, except medical doctors and dentists.

ATE 3-12-86


AUTHORIZED REPRESENTATIVE

SELECTIVE LIABILITY INSURANCE

NAME OF APPLICANT TOWN OF HACKETTSTOWN		1. TYPE OF JURISDICTION <input checked="" type="checkbox"/> CITY/TOWN <input type="checkbox"/> COUNTY <input type="checkbox"/> STATE <input type="checkbox"/> OTHER	
ADDRESS 5 Stiger Street		4. POPULATION 8,900. (1985 Estimate)	
CITY / COUNTY / STATE / ZIP Hackettstown, Warren County, NJ 07840		5. NAME OF PREVIOUS INSURER National Casualty Co.	
HAS SIMILAR COVERAGE BEEN CANCELLED, DECLINED OR RENEWAL REFUSED BY ANY INSURER IN THE LAST FIVE YEARS? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		DESIGNATED EFFECTIVE DATE 3/4/86	
IF YES, PLEASE EXPLAIN			

RECEIVED

CLAIM HISTORY FOR THE LAST THREE YEARS (INSURED OR UNINSURED)

A. SUMMARY

FEB 21 1986

YEAR	PREMIUM	NO. OF CLAIMS	PAID CLAIMS	CLAIMS EXPENSE	RESERVES	TOTAL
1985	\$5,874.00	-1-	-0-	-0-	- ?? (1)	
1984	\$3,159.00	0	0	0	0	0
1983	\$3,067.00	0	0	0	0	0

B. DETAILS OF CLAIMS SUMMARIZED ABOVE (USE SEPARATE SHEET IF NECESSARY)

DATE OF INCIDENT	CLAIMANT	TYPE OF CLAIM	AMOUNT RESERVED OR PAID	CASE	
				OPEN	CLOSED
9/84	Robert Biamonte (Filed 12/85)	PERSONAL INJURY	(SEE EVALUATION LETTER) (Libel, Slander)	XXX	

LIMIT OF LIABILITY DESIRED EACH PERSON \$1 Million	EACH OCCURRENCE \$ 1 Million	ANNUAL AGGREGATE \$ \$1 Million	DEDUCTIBLE DESIRED \$ \$2,500.
--	--	---	--

ALTERNATIVE QUOTE: LIMIT OF LIABILITY DESIRED EACH PERSON \$1 Million	EACH OCCURRENCE \$ 1 Million	ANNUAL AGGREGATE \$ 2 Million	DEDUCTIBLE DESIRED \$ \$5,000.
--	--	---	--

DO YOU OPERATE A JAIL 2 HRS. OR LONGER? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		ARE JAIL PREMISES REGULARLY INSPECTED BY: State Corrections Officer <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Dept. of Health <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
YEAR JAIL WAS BUILT: 1981 (Holding Facility)		11. ARE JAIL PREMISES REGULARLY INSPECTED BY: State Corrections Officer <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Dept. of Health <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
DO YOU HAVE WRITTEN POLICIES GOVERNING:		AVG. DAILY NUMBER OF INMATES: HOLDING FACILITY ONLY	
MEDICAL TREATMENT / SICK CALL <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		STATE CERTIFIED CAPACITY OF JAIL: N/a	
INMATE DISCIPLINE / GRIEVANCE PROCEDURES <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		ARE JAILERS ON DUTY 24 HRS. PER DAY? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
ACCESS TO LEGAL SERVICE OR MATERIALS <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		NAME OF GENERAL LIABILITY INSURANCE COMPANY:	
RECREATION <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		Selective Insurance Co. of America, SMP-3306,	
RISK SCREENING <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		3/4/84-87, \$ 1 MILLION CSL limits.	
TRIP SEARCHES <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			
CORRECTIONAL OFFICERS TRAINING <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			

POSITIONS TO BE INSURED

NUMBER OF FULL TIME PERSONNEL WITH REGULAR STREET/ECONOMY TISS/OBJECTIVES 16	16. NUMBER OF PART-TIME/AUXILIARY OR RESERVE WITH UN-ACCOMPANIED AGENT AUTHORITY 3	15. NUMBER OF PART-TIME/AUXILIARY/RESERVE WITH NO AGENT AUTHORITY 0	15. NUMBER OF JAILERS/MATEONS 0	17. NUMBER OF COURT SECURITY/CIVIL PROCEED (SPECIFY) 1	SCHOOL CROSSING GUARD/HUMANES OFFICERS/CRIME PROTECTION OFFICERS (SPECIFY) 11
18. PUBLIC OFFICIALS TO BE COVERED AS ADDITIONAL INSUREES:			OTHERS (SPECIFY)		
WAGON (Full Time)	XXX	CITY/COUNTY MANAGER 0	COMMISSIONER/CITY/COUNTY CLERK XXX	COUNCILMAN 7	

EDUCATIONAL AND TRAINING REQUIREMENTS

EDUCATIONAL TRAINING BACKGROUND REQUIREMENTS OF PERSONNEL

1 applicants are interviewed by a clinical psychologist before employment. Employer does require previous employment and credit histories on each applicant. Must have at least a high school degree and receive a passing grade on Civil Service exams.

2) To PERSONAL INJURY, BODILY INJURY, or PROPERTY DAMAGE sustained by any paid full time or part time and/or auxiliary or volunteer law enforcement officer of the NAMED INSURED directly or indirectly related to his employment by the NAMED INSURED.

3) To BODILY INJURY or PROPERTY DAMAGE arising out of the ownership, maintenance, operation, use, loading or unloading of any (a) AUTOMOBILE, watercraft, or aircraft owned by or operated by or rented or loaned to the INSURED, (b) or to any other AUTOMOBILE, watercraft or aircraft operated by any person in the course of his employment by the INSURED.

4) To liability assumed by the INSURED under any contract or agreement, except mutual law enforcement assistance agreements or contracts between political subdivisions.

5) To claims arising out of the performance of any act or service of police duty for anyone other than the NAMED INSURED. This exclusion shall not apply if the act or service arises as the result of a mutual law enforcement assistance agreement or contract between political subdivisions, nor does it apply to any departmentally approved activities.

6) To claims arising out of the official employment policies or practices of the INSURED (including, but not limited to: claims due to demotion, selection, dismissal, failure to promote, etc.)

7) To damages arising out of the willful violation of a penal statute or ordinance committed by or with the knowledge or consent of any INSURED or claims of injury arising out of the acts of fraud committed by or at the direction of the INSURED with affirmative dishonesty or actual intent to deceive or defraud.

8) To PROPERTY DAMAGE to:

- 1) Property owned, used or occupied by or rented to the INSURED;
- 2) Property in the care, custody or control of the INSURED or as to which the INSURED is for any purpose exercising physical control. Part 2 of this exclusion does not apply to property on persons at time of arrest.

9) To any use or handling by the INSURED of any radioactive materials or hazardous, radioactive properties.

10) To any actions, claims, suits or demands seeking relief or redress in any form other than money damages, nor shall the Company have any obligation to indemnify the INSURED for any costs, fees or expenses which the INSURED shall become obligated to pay as a result of an adverse judgement for injunctive or declaratory relief; however, the Company will afford defense to the INSURED for such actions, claims, suits or demands, if not otherwise excluded, where compensatory damages are requested.

11) Claims against the INSURED named herein for acts of another officer or employee unless said officer or employee is also insured for said acts in a policy of insurance issued by this Company.

DEFINITIONS

Whenever used in this policy, the following words have these meanings:

AUTOMOBILE — means a land motor vehicle, trailer or semi-trailer designed for travel on public roads.

BODILY INJURY — bodily injury, sickness or disease sustained by any person which occurs during the policy period, including death at any time resulting therefrom.

INSURED — means the NAMED INSURED and all full or part-time and all auxiliary or volunteer law enforcement officers of the NAMED INSURED. The insurance afforded applies separately to each INSURED against whom claim is made or suit is brought, except with respect to the limits of the Company's liability.

NAMED INSURED — means the organization named in Item 1 of the Declarations page.

OCCURRENCE — means an event, including continuous or repeated exposure to conditions, which results in PERSONAL INJURY, BODILY INJURY or PROPERTY DAMAGE sustained, during the policy period, by any person or organization and arising out of the performance of the INSURED'S law enforcement duties.

All claims arising out of (a) a riot or insurrection, (b) a civil disturbance resulting in an official proclamation of a state emergency, (c) a temporary curfew, or (d) martial law are agreed to constitute one Occurrence.

PERSONAL INJURY — means:

- 1) Assault and battery;
- 2) Discrimination, unless insurance thereof is prohibited by law;
- 3) False arrest, detention or imprisonment, or malicious prosecution;
- 4) False or improper service of process;
- 5) Humiliation or mental distress;
- 6) The publication or utterance of a libel or slander or of other defamatory or disparaging material, or a publication or utterance in violation of an individual's right to privacy; except publications or utterances in the course of or related to advertising, broadcasting or telecasting activities by or on behalf of the NAMED INSURED;

7) Violation of civil rights protected under 42 USC 1981 et sequental or State Law

8) Violation of property rights

9) Wrongful entry, trespass or other invasion of the right of public occupancy

if such offense is committed during the policy period

POLICY TERRITORY — means the United States of America, its territories or possessions, or Canada

PROPERTY DAMAGE — means any physical injury to or destruction of tangible property which occurs during the policy period, including loss of use thereof at any time resulting therefrom, or the loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an OCCURRENCE during the policy period.

WRONGFUL ACT — means any actual or alleged act, error, omission, neglect or breach of duty by the INSURED

CONDITIONS

1. PREMIUM. The premium for this policy shall be based upon the number of employees employed by the INSURED and shall be computed at the rate(s) set forth in the Declarations. The advance premium is based upon the estimated exposures for the policy period as stated in the Declarations. For the purpose of determining the actual premium, the following definitions will apply:

"Class A Employees" — those employees who deal directly with the public and exercise general powers of arrest. Included in this category are:

- (a) County Sheriff/Police Chief exercising powers of arrest
- (b) Peace officers exercising powers of arrest

"Class B Employees" — those employees who do not deal directly with the public or only exercise limited power of arrest under the direct supervision of a certified officer. Included in this category are:

- (a) Jailers/Matrons
- (b) Auxiliary or reserve peace officers under the direct supervision of a certified peace officer (only) exercising arrest powers.
- (c) Court Security
- (d) Civil Process Officers

"Class C Employees" — those employees who do not exercise power of arrest and whose duties are only administrative in nature. Included in this category are:

- (a) County Commissioners
- (b) City Council
- (c) Mayor
- (d) City Manager
- (e) Auxiliary or reserve police officers not exercising powers of arrest.
- (f) Coroner
- (g) School crossing guards/humane officers/crime prevention officers

"Class D Employees" — those employees whose ordinary duties are only indirectly related to the enforcement of criminal laws. Included in this category are:

- (a) Clerical Staff/Fingerprinting/License Examination
- (b) Stenographic Personnel/Food Service/Photographic
- (c) Dispatcher/Record Keeping Duties

The final premium shall be based on the average number of all employees of the NAMED INSURED, during the policy period and shall be determined as follows:

- (a) The NAMED INSURED shall maintain records and report, within thirty days after the end of the policy period, the highest number of full or part time employees specified in Item 4 of the Declarations, on any one day for each month this policy was in effect.
- (b) The average number of such employees shall be determined by dividing the sum of the number of such employees shown per month by the number of monthly reports.
- (c) If the earned premium as computed exceeds the advance premium paid, the NAMED INSURED shall pay the excess to the Company; if less, the Company shall return to the NAMED INSURED, the unearned portion paid by such INSURED, subject to the Company's retention of the minimum premium, if any.

2. INSPECTION AND AUDIT. The Company shall be permitted but not obligated to inspect the NAMED INSURED'S property and operations at any time. Neither the Company's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the NAMED INSURED or others, to determine or warrant that such property or operations are safe or healthful, or are in compliance with any law, rule or regulation.

The Company may examine and audit the NAMED INSURED'S books and records at any time during the policy period and extensions thereof and within three years after the final termination of this policy, as far as they relate to the subject matter of this insurance.

3. TERMS OF POLICY-STATUTE. Terms of this policy which are in conflict with the statutes of the state wherein this policy is issued are hereby amended to conform to such statutes.

4. INSURED'S DUTIES IN THE EVENT OF OCCURRENCE, CLAIM OR SUIT.

- (e) In the event of an OCCURRENCE, written notice containing particulars sufficient to identify the INSURED and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for the INSURED to the Company or any of its authorized agents as soon as practicable.
- (b) If claim is made or suit is brought against the INSURED, the INSURED shall immediately forward to the Company every demand, notice, summons or other process received by him or his representative.
- (c) The INSURED shall cooperate with the Company and upon the Company's request shall submit to examination and interrogation by a representative of the Company, under oath if necessary, attend hearings, depositions and trials and shall assist in affecting settlement, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits, as well as in the giving of a written statement or statements to the Company representatives and defense. In the event of a claim occurring likely to involve the Company hereunder, the INSURED shall not make any payment, assume any liability or incur any expense without the consent of the Company first being obtained. The Company shall conduct in the name of the INSURED the defense of any claim, and prosecute in his name for its own benefit any claim for indemnity or damages or otherwise against any third party, and shall have full discretion in the handling of any claim, and the INSURED shall give full information and assistance as the Company may reasonably require.

5. ACTION AGAINST COMPANY. No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, nor until the amount of the INSURED'S obligation to pay shall have been finally determined either by judgment against the INSURED after actual trial or by written agreement of the INSURED, the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the Company as a party to any action against the INSURED to determine the INSURED'S liability, nor shall the Company be impleaded by the INSURED or his legal representative. Bankruptcy or insolvency of the INSURED or of the INSURED'S estate shall not relieve the Company of any of its obligations hereunder.

6. OTHER INSURANCE. The insurance afforded by this policy is primary insurance, except when stated to apply in excess of or contingent upon the absence of other insurance. When this insurance is primary and the INSURED has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the Company's liability under this policy shall not be reduced by the existence of such other insurance.

When both this insurance and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the Company shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

- (e) **CONTRIBUTION BY EQUAL SHARES.** If all of such other valid and collectible insurance provides for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than would be payable if each insurer contributes an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount or loss not so paid the remaining insurers then continue to contribute equal share of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.
- (b) **CONTRIBUTION BY LIMITS.** If any of such other insurance does not provide for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for

such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

The premises liability insurance afforded by this policy shall be in excess of any other valid and collectible premises liability insurance available to the INSURED whether such premises liability is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as a specific excess insurance over the limits of liability provided in this policy.

7. SUBROGATION. In the event of any payment under this policy, the Company shall be subrogated to all the INSURED'S rights of recovery therefor against any person or organization and the INSURED shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The INSURED shall do nothing after loss to prejudice such rights.

8. CHANGES. Notice to any agent or knowledge possessed by any agent for or by any other person shall not affect a waiver or a change in any part of this policy or stop the Company from asserting any right under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy, signed by a duly authorized representative of the Company.

9. ASSIGNMENT. Assignment of interest under this policy shall not bind the Company until its consent is endorsed hereon; if, however, the NAMED INSURED, shall die, such insurance as is afforded by this policy shall apply (1) to the NAMED INSURED'S legal representative, as the INSURED, but only while acting within the scope of his duties as such, and (2) with respect to the property of the INSURED, to the person having proper temporary custody thereof, as INSURED, but only until the appointment and qualification of the legal representative.

10. DEDUCTIBLE. The deductible amount, stated in the Declarations, if any, is applicable to each claim and shall be subtracted from the total amount of money damages and claims expenses including (1) loss payments and (2) investigation, adjustment, defense and/or appeal expenses, whether or not loss payment is made, resulting from each claim and the Company shall be liable only for the difference between such deductible amount and the amount of insurance otherwise applicable to each claim.

11. CANCELLATION. This policy may be cancelled by the NAMED INSURED by surrender thereof to the Company or any of its authorized agents or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. This policy may be cancelled by the Company by mailing to the NAMED INSURED at the address shown in this policy, written notice stating when not less than sixty (60) days thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the NAMED INSURED or by the Company shall be equivalent to mailing.

If the NAMED INSURED or Company cancels, earned premium shall be computed in accordance with paragraph 1 of the Conditions. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

12. DECLARATIONS. By acceptance of this policy, the NAMED INSURED agrees that the statements in the Declarations are his agreements and representations, that this policy is issued in reliance upon the truth of such representations, and that this policy embodies all agreements existing between himself and the Company or any of its agents relating to this insurance.

13. SOVEREIGN IMMUNITY. It is agreed that the Company will not avail itself of the defense of sovereign immunity to which the INSURED may be entitled by reason of its being a public and/or governmental entity, unless the INSURED requests the Company to raise such defense by written notice to the Company not less than ten (10) days before the time to file an answer to any suit. It is further agreed that the INSURED hereby releases the Company from all liability because of the failure on the part of the Company to raise such defense, except in cases where the INSURED specifically requests the Company to do so in a manner provided herein.

14. SETTLEMENT. The Company shall not settle any suit without the INSURED'S consent. If, however, the INSURED refuses to consent to any settlement received by the Company and shall elect to contest the claim or continue any legal proceedings in connection with such claim, the Company's liability for the claim shall not exceed the amount for which the claim could have been so settled plus claims expense incurred up to the date of such refusal.

In Witness Whereof, the Company has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly authorized representative of the Company.

A. M. Nickoloff
SECRETARY

J. E. Zurneo
PRESIDENT

Home Office Southfield, Michigan

LETTER OF INTENTEQUALIZATION OF OVERTIME ASSIGNMENTS

The parties do not agree as to whether a certain proposal for a rotating overtime provision is a management prerogative or not. It is agreed, however, that the Scope Petition filed by the Town relative thereto shall be withdrawn (Docket No. SN-86-48).

In order to prevent further litigation, the parties agree to express their intent as to full shift overtime equalization by this letter.

A roster for overtime assignment shall be established by the Chief. Such list shall include all personnel covered by the Collective Bargaining Agreement.

Personnel for full shift overtime assignments shall be sequentially selected from this list.

If in the discretion of the Chief or his designee employees with Special expertise (eg., breathalyzer certification) are needed for the full shift and/or the selection of the next eligible employee for (OT) overtime assignment would result in too many junior personnel on the shift the next eligible person in the roster may be by-passed.

If an employee is by-passed as a result of the Chief or his designee exercising said discretion or if the employee eligible for the overtime assignment is already scheduled for that shift, that employee shall be the next person to be offered a full shift

overtime assignment.

If a call is made to a person on the roster who is eligible for overtime and there is no response or the person refuses the overtime, that person shall be by-passed until the next rotation.

UNION ACTIVITY LEAVE

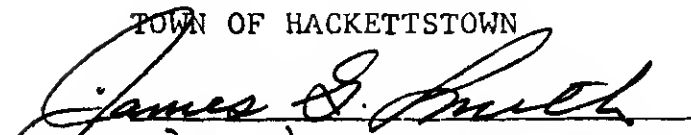
The parties hereby understand and agree that the State Delegate of PBA Local No. 138 (Hackettstown Unit) is required to attend State and Local functions in his capacity as representative of the organization. In this regard it is agreed as follows:

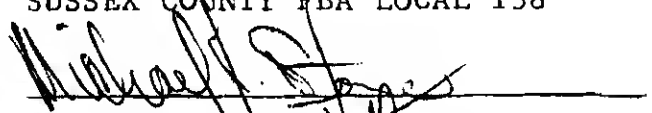
The State PBA Delegate shall notify the Chief of Police or his designee prior to January 1 of each calendar year as to the schedule of both State and Local monthly meetings for that calendar year so that he may be scheduled in order to provide time off without pay to attend said meetings. In the event the scheduled meeting dates are altered from the notification previously submitted, the State Delegate shall provide his own replacement. Such shall be done without any additional overtime cost to the Town.

In the event the Chief or his designee does not schedule the Delegate in accordance with the notification previously submitted, the Town shall be responsible for covering the Delegate's shift without any burden upon the employee (State Delegate).

TOWN OF HACKETTSTOWN

SUSSEX COUNTY PBA LOCAL 138


W.C. Wilho, Town Clerk


W.K. Carl